GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:5249
ANSWERED ON:14.05.2007
STORAGE AND TRANSIT LOSSES
Reddy Shri Mekapati Rajamohan

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the storage and transit shortages of foodgrains reported in the godowns of Food Corporation of India (FCI) during the last three years indicating the extent of losses suffered as a result thereof;

(b) whether the involvement of some officials of FCI have also come to the notice of the Government;

(c) if so, the details thereof and the action taken thereon; and

(d) the remedial measures taken to minimize such losses?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): The storage & transit shortages reported in the Food Corporation of India during the years 2003-04, 2004-05 & 2005-06 are as under:

Storage Shortages (Qty. in lakh MT/Value in crore of Rs.)

Year	Qty. Shortage Value	Total Qty. Issued	%age of Shortage on Qty. Issued
2003-04	2.32 244.59	821.18	0.28
2004-05	1.46 156.36	767.02	0.19
2005-06#	1.19 130.91	714.41	0.17

Transit Shortages (Qty. in lakh MT/Value in crore of Rs.)

Year	Qty. Shortage Value	Total Qty. Moved	%age of Shortage on Qty. Moved
2003-04	1.70 150.48	341.74	0.50
2004-05	1.83 149.94	382.77	0.48
2005-06#	1.29 126.55	351.80	0.37

(# Provisional)

(Figures of storage & transit losses for the year 2006-07 have not yet been audited, hence not given.)

(b): Yes, Sir.

(c): The details of the cases of storage and transit shortages in which the delinquent officials were found responsible during the last three years are as under:

Year	No. of cases in which delinquent officials were found responsible
2004	583
2005	901
2006	1195

The action taken in the cases of delinquent officials found responsible for storage and transit shortages, including other irregularities, during the last three years is as under:

Nature of penalty imposed	2004	2005	2006
Dismissal/Removal /Compulsorily retired	37	44	79
Reduction in Rank	39	30	30
Reduction in Time Scale of Pay	361	313	318
Withholding of Increments	168	118	216
Recovery from Pay of the Loss caused to the FCI	1346#	886#	1731#
Withholding of Promotion	6	5	2
Censure	489	307	382
Total	2446	1703	2758

(# = Indicate officials responsible for storage & transit losses)

(d): The details of the remedial measures taken to minimize the storage and transit losses in FCI are given in the statement attached.

Besides, high loss depots have been identified by the FCI Vigilance Division. Zonal, Regional, District including HQs` Squads and Squads of the Operating Divisions have been instructed from time to time to accelerate surprise / regular checks on these high loss depots in order to curtail overall losses in the FCI. During the last three years, the following regular / surprise checks were conducted by these Squads:

Year	Regular	Surprise	Total
2004	3093	1119	4212
2005	3247	2105	5352
2006	3764	1663	5427

As a result of above checks, the overall percentage of storage and transit shortages has come down from 0.53 during the year 2004 to 0.36 during the year 2006.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PART (d) OF THE UNSTARRED QUESTION NO.5249 DUR FOR ANSWER ON 14.05.2007 IN THE LOK SABHA.

STEPS TAKEN BY FCI TO MINIMIZE STORAGE/ TRANSIT LOSSES OF FOODGRAINS

1. Physical measures like installation of barbed wire fencing of the boundary walls, provision of street lights for illumination of godowns and proper locking of the sheds are taken to secure the godowns.

2. Security staff of FCI as well as other Agencies like Home Guards, Special Police Officers are deployed for safety of the stocks.

3. Deployment of Central Industrial Security Force and State Armed Police has been done at some depots / godowns, which are vulnerable.

4. Security Inspections as well as surprise checks of the Depots are also conducted from time to time at various levels to detect and plug the security lapses.

5. Adoption of 50 kg packing in a phased manner to avoid use of hooks.

6. Encouraging double line machine stitching of bags.

7. Periodical prophylactic and curative treatment of stocks, as prescribed.

8. Streamlining of procedure and documentation for transparency and accountability in operations at each level.

9. Special Squad checking at selected rail-heads, transshipment and destination/dispatch centres.

10. Identification of vulnerable points.

11. Inspection of Depots by Senior officers of the HQs, Executive Directors (Zones)/ General Managers(Regions)/ Area Managers.

12. Inspection and monitoring of calibration of weigh-bridges.

13. Maintaining priority list for issue of stocks observing the FIFO principle.

14. Proper weighment and accounting at the time of receipt and issue.

15. Undertaking pre-monsoon fumigation.

16. Improvement in dunnage material.

17. Movement of foodgrains from one place to another by safe means, i.e. covered wagons etc.

18. Ensuring proper quality checking of foodgrains at the time of procurement.

19. Ensuring that all FCI owned godowns are constructed and maintained on scientific lines for storage of foodgrains.

20. Insuring Transit Losses in movement of foodgrains by rail.

Besides, the following other preventive measures are being taken for reducing Storage & transit losses:

a) Component-wise analysis of storage losses, i.e. losses occurring due to loss of moisture/theft & pilferage/other reasons.

b) Detailed analysis of transit losses for Identification of areas of improvement.

c) Analysis of reasons leading to delay in carrying out investigations in storage & transit losses.

d) Monitoring/Reviewing of storage and transit losses at higher levels in the FCI HQs in consultation with Chief Vigilance Officer.